have touched a shopping Rs. 32,840 crores against the budgeted Rs. 18,752 crores during the current fiscal;

(b) if so, whether Government propose to take any action to limit the subsidy expenditure; and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI B.K. HANDIQUE): (a) The requirement of funds for subsidy on sale of fertilizers during 2006-07 is estimated at Rs. 27039.00 crore and in addition, there was a carryover liability from the previous year of Rs. 5913.94 crore increasing the total requirement to Rs. 32952.94 crores in the current year. Department of Fertilizers has till now received Rs. 18752.91 crore for payment of subsidy in the current year.

(b) and (c) The increase in subsidy expenditure is due to the increase in consumption of fertilizers within the country coupled with the increase in cost of fertilizer due to increase in raw material cost in the international market. The Department is making efforts to encourage the Indian industry to set up Joint ventures in raw material resource rich countries to ensure sustained availability of inputs and finished fertilizers in the country at reasonable prices. It is expected that Indian investment in fertilizer sector abroad and will ensure longterm supplies of faw materials/finisthed fertilizers to the country as also help in stabilizing the volatility of the prices in the international market.

The New Pricing Scheme for Urea units in the country also lays emphasis on maximizing indigenous production with energy efficiency and competitiveness at global standards. This will also help in controlling subsidy expenditure.

Medicine price reduction

†1069. SHRI MOTILAL VORA:
SHRIMATI PREMA CARIAPPA:

Will the Minister of CHEMICALS AND FERTILIZERS to pleased to state:

(a) the details and the date of reduction of prices of medicines after Government efforts;

†Original notice of the question was received in Hindi.

(b) the number of life saving medicines out of them alongiwth the extent of price reduced;

(c) by when the target of providing free medicines to the poor people would be achieved;

(d) whether Government have identified the areas for this purpose; and

(e) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI B.K. HANDIQUE): (a) to (e) Pharma companies have agreed to voluntarily restrict the trade margins for generic medicines to 15% for wholesalers and 35% for retailers. A compilation of the list of 886 such medicines, whose prices have been voluntarily reduced by 11 companies as a result of this cap on trade margins has been brought out. The list is available on this Department's website www.chemicals.gov.in. Copies of the list have also been placed in the Parliament Library. It cover formulations in all dosage forms such as tablets, capsules and syrups, etc. which find usage in the treatment of a large number of diseases. The medicines covered are anti diabitics, antibiotics, cough syrups, painkillers as well as those used during the surgical operations, for the cure of the infectious diseases and for the treatment of hypertension etc. The voluntary reduction in prices of these medicines ranges between 0.26% and 74.53%.

A Draft Cabinet Note on National Pharmaceutical Policy, 2006 is under finalisation. In this Policy some of the schemes for providing free medicines to the poor are National Health Insurance Policy for the BPL families; Larger allocation to be made for National Illness Assistance Fund/State Illness Assistance Funds; District Illness Assistance Fund to be set up; Revolving Funds for BPL families to be set up; States would also be asked to set up revolving funds in all the government hospitals for free treatment of BPL families; Rajasthan model of Medicare Relief Societies to be replicated in all the States in the form of Drug Banks.

Policy of Stage-III of New Pricing Scheme

1070. SHRI SUDARSHAN AKARAPU: Will the Minister of CHEMICALS AND FERTILIZERS to pleased to state: